## Message Text

UNCLASSIFIED

PAGE 01 STATE 112938

15

**ORIGIN NEA-16** 

INFO OCT-01 EB-11 ISO-00 /028 R

DRAFTED BY NEA/PAB:MGJONES/LAM APPROVED BY NEA/PAB:PDCONSTABLE NEA/PAB:AMBBYROADE (DRAFT)

----- 081584

R 300041Z MAY 74

FM SECSTATE WASHDC

TO R E WHITNEY INTERNATIONAL DEPARTMENT

HERCULES INC. WILMINGTON DELAWARE

**UNCLAS STATE 112938** 

E.O. 11652: N/A

TAGS- EFIN, EIND, PK

SUBJECT: REPLY TO YOUR CABLE TO AMBASSADOR BYROADE

AMBASSADOR BYROADE IS PRESENTLY IN THE US. AFTER AMBASSADOR TALKED WITH YOU IN ISLAMABAD ON MAY 8 HE HAD OPPORTUNITY TO SPEAK AGAIN WITH PRIME MINISTER ABOUT YOUR PROBLEMS ON MAY 17. EARLIER THAT SAME DAY HE ALSO SAW FINANCE MINISTER AND MATTER OF YOUR TECHNICAL SERVICES AGREEMENT CAME UP- THE MINISTER SAID THAT IN TERM OF RESPONDING TO YOUR REQUEST FOR FURTHER REMITTANCES UNDER THE AGREEMENT SOME TAX QUESTIONS HAD NECESSARILY TO BE CLEARED UP TO MAKE SURE EVERYTHING WAS IN ORDER. IT APPEARED TO EMBASSY'S ECONOMIC COUNSELOR WHO WAS PRESENT THAT PAKISTAN GOVERNMENT'S INTEREST IN DOING THIS WAS ESSENTIALLY A FORMALITY TO MAKE SURE OF THE LEGALITY OF THE AGREEMENT. THIS HAD TO BE CLEARED UP BEFORE THE GOVERN-MENT COULD SANCTION FURTHER REMITTANCES UNDER THE AGREEMENT. LATER ON MAY 22 ECON COUNSELOR ALSO HAD OPPORTUNITY TO BRIEF MR. NAIM, DIRECTOR OF AMERICAS DESK, MINISTRY OF FOREIGN AFFAIRS, ABOUT THIS ISSUE. AFTER EMBASSY RECEIVED YOUR TELEGRAM, ECONOMIC COUNSELOR PHONED ROBERT PUGMIRE IN LAHORE ON MAY 28. PUBMIRE SAID THAT HIS OFFICE HAD RECEIVED VARIOUS WRITTEN INOUIRIES ABOUT THE KNOWHOW AND TECHNICAL SERVICES AGREE-UNCLASSIFIED

UNCLASSIFIED

PAGE 02 STATE 112938

MENTS FROM MINISTRY OF FINANCE, STATE BANK OF PAKISTAN,

## AND LOCAL TAX AUTHORITIES. HE REPLIED TO LAST OF THESE ON

MAY 28. HE BELIEVES THAT AT THIS JUNCTURE THAT BEST TACTIC IS TO WAIT AND SEE IF HIS ANSWERS SATISFY GOVERNMENT'S REQUIREMENTS.

ECONOMIC COUNSELOR ASKED PUGMIRE TO KEEP EMBASSY INFORMED OF DEVELOPMENTS AND STATED THAT EMBASSY IS QUITE WILLING TO APPROACH PAKISTAN GOVERNMENT AGAIN WHEN TIMING FOR DOING SO SEEMS PROPITIOUS. PLEASE BE ASSURED THAT EMBASSY WILL CONTINUE TO STRESS TO APPROPRIATE GOP OFFICIALS IMPORTANCE OF AMICABLY RESOLVING HERCULES' PROBLEMS IN PAKISTAN. BROWN

UNCLASSIFIED

NNN

## Message Attributes

Automatic Decaptioning: X Capture Date: 01 JAN 1994 Channel Indicators: n/a

**Current Classification: UNCLASSIFIED** 

Concepts: TAX LAW, CONSULAR LEGAL ASSISTANCE, BUSINESS FIRMS, TAX BURDEN, TECHNICAL ASSISTANCE CONTRACTS

Control Number: n/a Copy: SINGLE Draft Date: 30 MAY 1974 Decaption Date: 01 JAN 1960 Decaption Note: Disposition Action: n/a Disposition Approved on Date: Disposition Authority: n/a Disposition Case Number: n/a

Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:

Document Number: 1974STATE112938
Document Source: CORE
Document Unique ID: 00 Drafter: MGJONES/LAM Enclosure: n/a Executive Order: N/A

Errors: N/A

Film Number: D740135-0888

From: STATE

Handling Restrictions: n/a

Image Path: ISecure: 1

Legacy Key: link1974/newtext/t1974057/aaaaafjy.tel Line Count: 74

Locator: TEXT ON-LINE, ON MICROFILM Office: ORIGIN NEA Original Classification: UNCLASSIFIED Original Handling Restrictions: n/a Original Previous Classification: n/a Original Previous Handling Restrictions: n/a

Page Count: 2

Previous Channel Indicators: n/a
Previous Classification: n/a Previous Handling Restrictions: n/a Reference: n/a

Review Action: RELEASED, APPROVED Review Authority: shawdg

Review Comment: n/a Review Content Flags: Review Date: 05 NOV 2002

**Review Event:** 

Review Exemptions: n/a
Review History: RELEASED <05 NOV 2002 by MorefiRH>; APPROVED <09 JAN 2003 by shawdg>

**Review Markings:** 

Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

**Review Media Identifier:** Review Referrals: n/a Review Release Date: n/a Review Release Event: n/a **Review Transfer Date:** Review Withdrawn Fields: n/a

Secure: OPEN Status: NATIVE

Subject: REPLY TO YOUR CABLE TO AMBASSADOR BYROADE AMBASSADOR BYROADE IS PRESENTLY IN THE US. AFTER TAGS: EIND, EFIN, PK, US, HERCULES INC, (WHITNEY, R E)
To: HERCULES INC WILMINGTON DELAWARE

Type: TE

Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005